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## **Miricor Enterprises Holdings Limited**

**卓珈控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1827)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO LEASE AGREEMENT**

#### **THE LEASE AGREEMENT**

The Board announces that on 20 May 2021 (after trading hours), the Company, as lessee, entered into the Lease Agreement in respect of the lease of Premises with the Lessor, an Independent Third Party, in which the lease of Premises shall commence from 16 August 2021 and expire on 15 August 2027 (both days inclusive).

#### **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to HKFRS 16, as a result of the entering into of the Lease Agreement, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the transaction contemplated thereunder will be regarded as an acquisition of asset by the Group in accordance with Rule 14.04(1)(a) of the Listing Rules. The estimated value of the right-of-use asset to be recognised by the Company under the Lease shall amount to approximately HK\$51,442,000.

As the applicable percentage ratio (as defined in the Listing Rules) in respect of the Lease Agreement based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25%, the entering into of the Lease Agreement constitute a discloseable transaction of the Company and is accordingly subject to the notification and announcement requirements but is exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

## THE LEASE AGREEMENT

The Board announces that on 20 May 2021 (after trading hours), the Company, as lessee, entered into the Lease Agreement in respect of the lease of Premises with the Lessor, an Independent Third Party, in which the lease of Premises shall commence from 16 August 2021 and expire on 15 August 2027 (both days inclusive).

### Lease Agreement

The principal terms of the Lease Agreement are set out below:

Date:	20 May 2021 (after trading hours)
Lessee:	the Company
Lessor:	The Peninsula Hotel Limited, an Independent Third Party
Premises:	The whole 16th Floor, The Peninsula Office Tower, 18 Middle Road, Kowloon
Use:	Beauty Centre and sale of skin care products
Term of lease:	16 August 2021 to 15 August 2027 (both days inclusive)
Total lease payable:	HK\$728,650 per calendar month exclusive of air-conditioning charges, management fee and government rates from 16 August 2021 to 15 August 2024 (both dates inclusive)  HK\$784,700 per calendar month exclusive of air-conditioning charges, management fee and government rates from 16 August 2024 to 15 August 2027 (both dates inclusive)
Security Deposit:	HK\$2,704,140
Option to renew:	The Company shall have the option to renew for a term of three (3) years (the “Option”) commencing on 16 August 2027 and expiring on 15 August 2030 (both dates inclusive) by giving the Lessor at least six (6) months’ notice in writing before the expiration of the lease term and subject to the terms of the Lease Agreement.

The terms of the Lease Agreement were determined after arm’s length negotiations between the Lessor and the Lessee and with reference to the prevailing market rental for properties of similar type, age and location.

The rent, air-conditioning charges, management fee and government rates, and stamp duty under the Lease Agreement are expected to be funded through the internal resources of the Group.

## **INFORMATION OF THE PARTIES**

### **The Company and the Group**

The Company is an investment holding company. The Group is principally engaged in the provision of medical aesthetic service, and the sale of skin care products, mainly in Hong Kong.

### **The Lessor**

The Lessor is a limited liability company incorporated under the laws of Hong Kong, incorporated on 11 March 1988. The principal activities of the Lessor are the ownership and operation of The Peninsula of Hong Kong.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Lessor and the Lessor's ultimate beneficial owners are Independent Third Parties.

## **REASONS AND BENEFITS OF THE LEASE**

The Group is principally engaged in the provision of medical aesthetic service, and the sale of skin care products, mainly in Hong Kong. The Directors believe that by entering into the Lease Agreement, the total service floor area of the Group will be increased by more than 52% to over 32,000 sq ft, which are located in the prime locations in Causeway Bay, Central District and Tsim Sha Tsui. As such, the Group can enlarge its medical aesthetic service centre capacity to meet the increase in market demand for medical aesthetic services. In addition, the Group is currently exploring other potential opportunities to open further medical aesthetic service centers and retail stores of skincare products in the 2022 fiscal year. The Directors consider that the transactions contemplated under the Lease Agreement was entered into in the ordinary and usual course of business of the Group, and the terms of the Lease Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

### **Acquisition of asset by the Company**

Pursuant to HKFRS 16, as a result of the entering into the Lease Agreement, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the transaction contemplated thereunder will be regarded as an acquisition of asset by the Group in accordance with Rule 14.04(1)(a) of the Listing Rules. The estimated value of the right-of-use asset to be recognised by the Company under the Lease shall amount to approximately HK\$51,442,000, which is the present value of aggregated rent payments to be made under the Lease Agreement in accordance with HKFRS 16. The discount rate, which is

equivalent to the Company's incremental borrowing rate during the entire term of the Lease Agreement, is applied to compute the present value of aggregate lease payments under the Lease Agreement.

As the applicable percentage ratio (as defined in the Listing Rules) in respect of the Lease Agreement based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25%, the entering into the Lease Agreement constitute a discloseable transaction of the Company and is accordingly subject to the notification and announcement requirements but is exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Board”	the board of Directors
“Company” or “Lessee”	Miricor Enterprises Holdings Limited, an exempted company incorporated with limited liability in the Cayman Islands and, the shares of which are listed on of the Stock Exchange (Stock code: 1827)
“connected person”	has the meaning ascribed to it under Listing Rules
“Directors”	the directors of the Company
“Group”	collectively, the Company and its subsidiaries from time to time
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standard 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner, to the best of the Directors' knowledge, information and belief having made all reasonable enquires, is/are not connected persons of the Company and is/are third party independent of the Company and its connected persons in accordance with the Listing Rules
“Lease Agreement”	an agreement entered into between the Lessee and the Lessor on 20 May 2021 (after trading hours) for the lease of Premises

“Lessor”	The Peninsula Hotel Limited, a company incorporated in Hong Kong on 11 March 1988 the ultimate beneficial owners of which, to the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, are Independent Third Parties
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option”	option to renew for a term of three (3) years commencing on 16 August 2027 and expiring on 15 August 2030 (both dates inclusive) by giving the Lessor at least six (6) months’ notice in writing before the expiration of the lease term and subject to the terms of the Lease Agreement.
“Premises”	The whole 16th Floor, The Peninsula Office Tower, 18 Middle Road, Kowloon
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board  
**Miricor Enterprises Holdings Limited**  
**LAI Ka Yee Gigi**  
*Chairlady and Chief Executive Officer*

Hong Kong, 20 May 2021

*As at the date of this announcement, the Board comprises three executive directors, namely, Ms. LAI Ka Yee Gigi, Mr. HO Tsz Leung Lincoln and Dr. LAM Ping Yan; and three independent non-executive directors, namely, Mr. CHENG Yuk Wo, Mr. CHENG Fu Kwok David and Mr. LI Wai Kwan.*